





Digitized by the Internet Archive  
in 2013





NINETEENTH

ANNUAL REPORT

OF THE

PRESIDENT AND DIRECTORS

TO

THE STOCKHOLDERS

OF THE

BALTIMORE AND OHIO

RAIL-ROAD COMPANY.

---

BALTIMORE :  
PRINTED BY JAMES LUCAS.

1845.

THE

CHURCH OF THE

UNITED METHODIST CHURCH

OF THE

STATE OF NEW YORK

IN SENATE

1880

REPORT OF THE

COMMISSIONERS OF THE

LAND OFFICE

NINETEENTH ANNUAL REPORT  
OF THE  
PRESIDENT AND DIRECTORS TO THE STOCKHOLDERS  
OF THE  
BALTIMORE & OHIO RAIL ROAD COMPANY.

---

At a meeting of the Stockholders held pursuant to the charter, on the second Monday of October, eighteen hundred and forty-five, in the city of Baltimore, the President and Directors of the Baltimore and Ohio Rail Road Company submitted the following report and statements of the affairs of the company :

FIRST.—*Of the Main Stem.*

The statement A shews the situation of the company's affairs on the 30th ultimo; the revenue and expenses of the Main Stem for the year ending on the same day, are shewn by the statement B; and the statement C shews the receipts from *all* sources, and the disbursements of *all* kinds during the same period. They are the following, viz :

Dr.

*The Baltimore and Ohio Rail Road Company.*

( A )

Cr.

Stock in the Washington Branch Road, . . . . .	\$1,032,600 00	Loan at six per cent. for the purpose of taking stock in the Washington Branch Road, . . . . .	\$1,000,000 00
Cost of road to Harper's Ferry, including real estate and depots, locomotives, passenger and burden cars, &c. . . . .	4,000,000 00	Baring, Brothers & Co., London, for balance now due, . . . . .	7,000,000 00
Cost of road west of Harper's Ferry, including real estate, locomotives, &c. . . . .	3,623,606 28	State of Maryland five per cent. sterling bonds, . . . . .	133,708 95
Coal trade, for amount expended in cars and engines for that purpose, including \$38,216 74 in the previous year, . . . . .	118,803 98	Forfeited Stock, balance of that account, . . . . .	3,200,000 00
Sterling bonds in the hands of Messrs. Baring, Brothers & Co. of London, . . . . .	3,181,005 41	Interest received on city stock, . . . . .	364 70
City of Baltimore six per cent. stock on hand, . . . . .	40,096 59	Revenue—balance of this account on the 1st of October, 1844, . . . . .	2,618 59
Sinking Fund for the redemption of the million loan, Debt due by the Washington Branch Road—same as cash, . . . . .	35,999 97	Amount which has accrued since, . . . . .	\$490,008 87
Cash in the hands of officers, . . . . .	6,041 18	Dividend from the Washington road in April last, . . . . .	738,703 18
Cash on hand, . . . . .	8,543 52	Less expenses, repairs and interest, including the sum of \$48,419 44 expended for purposes of construction, . . . . .	30,978 00
	96,369 21		\$1,239,590 05
			\$473,216 45
			986,372 60
			\$12,143,065 84

*Office of the Baltimore and Ohio Rail Road Company, October 1st, 1845.**J. I. ATKINSON, Secretary.*



( B )

*Statement of the Revenue and Expenses of the Baltimore and Ohio Rail Road Company, on account of the Main Stem of the road, for the year ending the 30th of September, 1845.*

The amount received for the transportation of Passengers and Merchandize for the year ending September 30th, 1845, has been . . . . .	\$738,603 18
And the expenses for the same period have been as follow, viz:	
Expenses of Transportation, including Fuel, Salaries of Superintendent, Agents, Conductor, &c. &c. &c. . . . .	\$113,285 86
Repairs of the Road, . . . . .	88,184 87
Repairs of Depots, . . . . .	6,921 42
Repairs of Passenger Cars, . . . . .	11,229 27
Repairs of Locomotives, . . . . .	44,481 71
Repairs of Burden Cars, . . . . .	24,895 64
Repairing and Rebuilding Bridges, . . . . .	55,516 24
Repairs of Water Stations, . . . . .	1,525 94
Watching Bridges and Pumping Water at Water Stations, . . . . .	8,984 50
Office and Incidental Expenses, including Salaries, House Rent, Fees to Counsel, Taxes on Property, &c, . . . . .	8,815 99
Making in all, . . . . .	363,841 44
And shewing the earnings of the road to be . . . . .	\$374,761 74
The Dividend of the Main Stem from the Washington Branch in April last was . . . . .	\$30,978 00
And the dividend yet to be received from the same, . . . . .	30,978 00
Making . . . . .	\$61,956 00
The interest on the Million Loan, &c. . . . .	60,931 83
Leaving, . . . . .	1,024 17
	\$375,785 91

*Office of the Baltimore and Ohio Rail Road Company, }  
1st October, 1845. }*

J. I. ATKINSON,  
Secretary.

## ( C )

*Statement of the Receipts from all sources, and the Disbursements of all kinds of the Baltimore and Ohio Rail Road Company, during the year ending the 30th of September, 1845.*

There remained a surplus on the 1st of October, 1844, after the dividend was declared, of . . . . .	\$16,527 32
The Revenue for the year ending the 30th September, 1845, inclusive, has been . \$738,603 18	
This road has received a dividend of 3 per cent. from the Washington Branch, . . . . . 30,978 00	
Making, . . . . .	769,581 18
There have been received on account of Forfeited Stock, And for interest on City of Baltimore 6 per cent. Stock,	563 50 2,618 59
There remained unexpended in the hands of officers on the 1st of October, 1844, . . . . .	4,774 10
Shewing the total amount of Receipts from all sources, The Expenses of Working the Road, &c including the interest on Million Loan, have been . . . . .	\$794,064 69 424,773 27
Leaving, . . . . .	\$369,291 42
The other Disbursements of the Company during the year, have been the following, viz:	
Payment to Baring, Brothers & Co. . . . \$50,017 53	
For various purposes on account of Con- struction, . . . . . 48,419 44	
For the Coal Trade, . . . . . 118,803 98	
And for the Sinking Fund, . . . . . 999 97	
Making, . . . . . \$218,240 92	
The Company have on hand, belonging to both roads, . . . . . \$184,677 66	
Deduct amount belonging to Washington Branch, . . . . . 88,308 45	
	96,369 21
Due by the Washington Branch, . . . . . 6,041 18	
City 6 per cent. Stock, amounting to . . . . . 40,096 59	
Cash in the hands of officers, . . . . . 8,543 52	
	\$369,291 42

*Office of the Baltimore and Ohio Rail Road Company, }  
1st October, 1844. }*

J. I. ATKINSON,

*Secretary.*

Taking the statement A, and beginning on the debit side, it will be observed that the following are shewn, viz :

1. That the item of "Cost of road west of Harper's Ferry," is the same as stated in last year's report, the capital being absorbed, and every expenditure now incurred being necessarily taken out of the revenue. There has been expended, however, the sum of \$48,419 44 properly applicable to this account, being for settlement of claims for right of way, interest on the debt to Messrs. Baring, and the cost of placing the money in England, the construction of bridges, improvements at depots, and various other items; and this sum the board have directed to be considered as part of the expenses of the current year. There is also included in this amount, the sum of \$10,270 paid to contractors for making the road, which, at the time of the last report, was in litigation; so that the whole sum now unsettled of this class of debts, amounts to only \$2,150.

2. That the amount expended in cars, engines, &c., for the accommodation of the coal trade has been \$118,803 98, which includes the sum of \$38,216 74 disbursed in the previous year.

3. That the city of Baltimore six per cent. stock has been reduced since the last annual report, \$20,000; which sum was set apart as a sinking fund, for the redemption of the million loan, incurred on account of the construction of the Washington branch road; making, together with \$15,000 heretofore set apart for the same purpose, and the accumulations of quarterly interest reinvested as they accrue, the sum of \$37,000.

Then by reference to the credit side it will be seen,

1. That the "loan at six per cent. for the purpose of taking stock in the Washington branch road," is placed at \$1,000,000, as it was originally, instead of \$985,000, as in last year's statement; the board having ordered that the \$15,000 of bonds belonging to this account, which were cancelled, and upon which, in October 1843, a "sinking fund," was commenced, should be restored, and placed in such position as to accumulate by the quarterly interest.

2. That the debt to Messrs. Baring, Brothers & Co. now stands at \$153,708 95, being \$50,000 less than last year. It may be proper here to remark, that the remittance of this sum was made on the first of May last, five months before the payment was due, and at a saving of interest for the difference of time.

By the statement B it will be seen that the revenue of the road for the year, ending the 30th September last, has amounted to \$738,603 18, being \$79,983 20 more than the revenue of last year.

Of the expenses of working the road and keeping it in order, shewn by this statement, it is gratifying to observe that, while there has been a considerable increase in the trade and travel, there has been comparatively but a trifling increase in the expenses; except in the item of repairs of bridges, which is upwards of \$49,000 greater than that of last year, and to which more particular reference will hereafter be made.

The net receipts from the business of the Main Stem, over and



above the expenses, independently of its connection with the Washington branch, amount to the sum of \$375,785 91, being nearly five and a half per cent. upon the capital.

Appended to this report will be found a table showing the aggregate number of passengers, and the amount in tonnage of the various articles of produce and merchandize transported over the road in each year for the last ten years, and the gross revenue received from the same. This statement affords gratifying evidence of the gradual increase of the business of the road through that entire period, and especially since its completion to Cumberland.

The statement C shews the surplus remaining on hand after the dividend of last year; the receipts from all sources during the year, and the disbursements on all accounts for the same period, together with the available means of the company on the 30th ultimo.

By this statement, it will be seen that the company have on hand the following, viz :

Cash in bank, . . . . .	\$184,677 66 .
Less belonging to the Washington road, . . . . .	88,308 45
<hr/>	
Leaving, . . . . .	\$96,369 21
City stock on hand, . . . . .	40,096 59
Debt due by the Washington branch road, which is the same as cash, . . . . .	6,041 18
Borrowed from the revenue for the purposes of the coal trade, and to be refunded out of that trade . . . . .	\$118,803 98
Less amount received from that trade, . . . . .	28,202 98
<hr/>	
	90,601 00
<hr/>	
Making, . . . . .	\$233,107 98
And to which may be added the dividend of 3 per cent to be received from the Washington branch road, . . . . .	30,978 00
<hr/>	
Making in all, . . . . .	\$264,085 98

Of this, the board have applied to the purposes of the sinking fund, according to the resolution announced in the annual report of 1842, for the reimbursement of the loan of a million of dollars contracted for the construction of the Washington road, the sum of \$20,000; and of the balance, they have determined to divide among the stockholders three dollars on each share of stock, payable on and after the first day of November next, leaving a surplus of \$34,085 98, which will be applied as so much to the extinguishment of the debt due by the coal trade, and which debt, as will be observed, has been placed among the available resources of the company as borrowed from the revenue.

The condition of the track west of Harper's Ferry is of the most satisfactory character. The trains, both of passengers and merchandize, have continued to pass over it without interruption; and the cost of keeping it in repair is quite inconsiderable. That portion east of

Harper's Ferry is in as perfect condition as the nature of the materials of which it is constructed, renders practicable. Some difficulty has heretofore been experienced in procuring the timber in sufficient quantity for its repair from the Southern States; but, it is hoped that, in a short time, supplies will be furnished from the line of the road, so that this difficulty will be entirely obviated.

It is manifest, however, that the increasing business of the road, and especially that arising from the prosecution of the coal trade, will render it necessary for the company steadily to pursue the system, commenced in 1838, of gradually renovating the entire line to Harper's Ferry with a substantial edge rail, such as is used west of that point; and, on some of the sections along the Patapsco, to avoid the short curves which so seriously obstruct the efficiency of the motive power.

Indeed, a wise economy would suggest that the accomplishment of so important a work should not be delayed beyond the earliest practicable period.

An accident occurred to the Harper's Ferry viaduct on the 18th March last, similar to that which happened to the same structure on the 5th of September previous. On the evening of the former day, as a train was crossing—consisting of the engine Gladiator, nine house cars loaded with merchandize and produce, one gondola with iron, and ten cars loaded with coal, the most western span upon the curved arm of the bridge, on the main stem of the road, suddenly gave way, precipitating into the river the gondola and the ten cars loaded with coal. The engine and the remaining portion of the train having got beyond the pier that sustained the arch which fell, passed safely over. The conductor of the train fell among the broken timbers into the river, but providentially escaped with but slight injury. As the straight arm of the bridge remained uninjured, no delay of consequence occurred in the passage of the trains; so that the business of the road was not seriously interrupted. The cars which fell into the river, and their contents, were recovered, having suffered but little damage; and the arch, before the close of the year, will have been restored in the most permanent manner, at a cost of about \$6,000. The arch which had previously fallen, has been rebuilt in the same substantial style, and has withstood, for the last two months, the severest tests of its strength and sufficiency. In the reconstruction of both arches, the opportunity has been embraced of raising them out of the reach of high water, of protecting them securely from the weather, and rendering them in every part accessible to constant and minute inspection.

The recurrence of such an accident, as will be readily supposed, created the most lively anxiety in the minds of the board, both as to the durability of the bridges along the entire route, and the principle upon which they were constructed. They accordingly ordered the most rigid scrutiny to be instituted upon both these points, and the result of that examination has tended to confirm the opinion expressed in their former report, of the correctness of the principle of construction.

In regard to the immediate cause of the last accident, it appeared, upon a close examination of all the circumstances, to have been due in part to defective workmanship, and the unsound state of a part of the timber which could not readily be inspected, and which had escaped the attention of the supervisor, at the time it was placed in the work. It was also attributable in part to the premature removal, by a sudden flood in the river, of the temporary supports which had been put under the arch during its repair, and for assisting it while deprived of the counter-thrust of the adjacent span, which had not then been reconstructed.

It will be remembered that it was necessary to hasten the finishing of the bridges along the route, in order to avoid delay in the opening of the road to Cumberland; and, the difficulty which attended the procuring of the proper description of timber in sufficient quantities, made, in some instances, a very rigid inspection, scarcely practicable. Under all these circumstances, the board, taking into consideration the paramount necessity of preventing any apprehension on the part of travelers for their personal safety, and the certainty that the increase of the trade, and the consequent more frequent passage of trains of increased weight, would render it imperatively necessary that these structures should be placed in the most perfect condition, have had them all so thoroughly refitted and strengthened as to secure them effectually against the recurrence of similar casualties for the future.

The outlay incident to the accomplishment of this important object, and which, in strictness, is indeed a part of the capital or cost of construction of the work, will account for the greatly increased expenditure of the last over that of the preceding year, for the same purpose. It will also be borne in mind, that as the first accident occurred in September 1844, just previous to the termination of the financial year, no portion of the expense of its repair was included in the statement of that year.

The expenditures under this head for the coming year, will be very much below those of the past. The work which remains to be done, will have for its object, not the strengthening of the bridges, the security of which in this respect is complete, but in protecting them more perfectly from the weather, and preparing them to perform their duty for a long period, without further cost than must necessarily be attendant upon the maintenance of every structure, composed of perishable materials.

We must not omit to mention that a considerable proportion of the present year's expense, under this head, is for materials now on hand for work still to be done; and, therefore, in fact, chargeable to the operations of the ensuing year.

We may also observe that it is not surprising, nor calculated to excite mistrust, that these bridges have required to be strengthened, when it is considered that, owing to the increase in the weight of the trains, they are *daily* bearing a burthen equal to that which they were originally designed to sustain only at rare intervals. This great increase in the



weight of trains has indeed taken place on most of the railways of the United States, and with similar effects upon their timber bridges, the entire reconstruction of which, upon several important lines, has become necessary—and at a cost far exceeding that of refitting and strengthening those upon the Baltimore and Ohio Rail Road, when the number of the bridges, and the mode of their repair are considered.

The other appurtenances of the road, together with the cars, engines, and other machinery, are in a satisfactory condition.

The heavy engines, of 22 tons weight, built for the coal trade at the manufactory of Mr. Winans in this city, have proved themselves very valuable machines, of great power, and simplicity of construction, easily maintained in repair and burning the Cumberland coal in the most satisfactory manner; and, in this last particular, solving a question of much interest in the economy of the company's transportation. The general result of the transportation of coal thus far has been to demonstrate the sufficiency of the estimates of its cost heretofore made by the company's engineers, and thus to encourage the board to enter as largely into its transportation as circumstances may shew to be expedient. The quantity of coal transported during the past year has indeed, from a variety of causes, fallen very far short of that agreed to be furnished by the company with whom the contract for its carriage was made. Other companies in Alleghany are now, however, preparing to enter largely upon the working of their mines; and, unlike the company first referred to, which divides the produce of its mines between its own furnaces and the sea board market, will devote themselves exclusively to the supply of the market, and from a vein of coal much more readily wrought. All these companies are looking to the Baltimore and Ohio Rail Road for the transportation of their coal, and are preparing lateral railways of their own to connect with it at Cumberland. The board have entered into a contract with the most considerable of these companies, (the Maryland Mining Company,) to transport, in annually increasing quantities, to the extent of 52,500 tons of coal, which, together with what the other companies, including the Mount Savage Company will contribute, may amount within a year or two, to 100,000 tons or upwards. The transportation of this large tonnage, which will be swelled by a considerable amount of other heavy commodities, from the outer depot to tide water, has occupied the serious attention of the board; and, under the ordinance of the city, approved April 19, 1845, they have had surveys of all the practicable routes, made during the past summer, and have a full report upon them from the engineer department, which they have now under consideration.

Subsequent to the last annual report, the attention of the board was called, by numerous petitions from persons engaged in the flour trade, to the fact that, in consequence of the low rates of toll charged by the Chesapeake and Ohio Canal, that article was being rapidly diverted from this market to the District of Columbia; and, praying that the board would reduce the rate upon the rail road, to such a point as would prevent that diversion.

The flour trade has always been considered of great importance to the prosperity of the city of Baltimore; and, as long as the communication with the interior was kept up by turnpikes, almost the entire product of Maryland, and of a considerable portion of Pennsylvania and Virginia, was brought to this market. This circumstance, as is well known to those familiar with the early history of this city, contributed essentially to its rapid increase in commerce, wealth and population; but, the construction of the Chesapeake and Ohio Canal along the western border of Maryland, and of the Cumberland valley rail road from Chambersburg to Philadelphia, had already diverted a very considerable portion of the article from this market; so that the inspections of several years past, instead of increasing with the growth and settlement of the country, are scarcely equal to those of a very early period. Any further diversion of this important trade was, therefore, regarded with alarm; and, under the circumstances of the case, the board deemed it to be their duty to consider the applications made to them for a reduction of tolls, not so much with reference to profit as to the preservation of the trade. It was evident also, that, if this particular article were diverted to another market, a very considerable portion of business necessarily connected with it, and growing out of it, would also be diverted; and, the result would prove not only a very serious injury to the city, but an absolute loss to the company of the revenue which might otherwise be derived from the return trade. It was, therefore, resolved that the rates of toll upon this article, should be reduced along that portion of the road which is adjacent to the Chesapeake and Ohio Canal, to such a point as would compensate for the expense of transportation.

It is believed that this measure has had the salutary influence expected from it, and there is reason to anticipate that, when the mills will be enabled to grind, the quantity of flour which will be brought to this market, during the present season, will be materially increased.

It is obvious that the very low rates charged by the Chesapeake and Ohio Canal Company for the transportation of this article, to the cities of the District, do not afford a remunerating revenue, by which that company might be enabled to meet its obligations to the State of Maryland; and that, while this is the case, its policy, at the same time, had the unjust effect of abstracting trade from the city of Baltimore, to which the State was looking, in a very great degree, for the means, by taxation, of paying the interest upon the debt contracted for the construction of the canal. If the rate charged by the canal were an adequate one, and had been made with a view to its obligations to the State, the city of Baltimore would have less right to complain, whatever might be the injury she suffered in other respects; but when she was heavily taxed for the construction of a work which, at the same time, deprived her of the means of paying that tax, the evil was one which it was supposed would readily call for the interference of the State, the only authority which could exercise a sufficient control over the subject. Accordingly an opportunity was afforded by certain inter-



rogatories propounded by the Senate, at the last session, to present the views and wishes of this company in regard to a mutual adjustment of tolls between the two companies, upon all the articles which might be offered for transportation. A copy of the answer to these interrogatories will be found appended to this report. From the answer to the second interrogatory, it will be observed that this company was willing to enter into an arrangement by which the canal should enjoy the exclusive transportation of coal, iron, and such articles as it was supposed, at the period of its commencement, would belong legitimately to it; provided the canal company would place such rates upon other articles, the produce of the soil, as would afford some revenue to the State in case they were carried by the canal or otherwise be transferred to the rail road.

No action of the legislature grew out of this proposition, and the whole subject remains in its original state.

SECOND.—*Of the Washington Road.*

The affairs of the Washington road are shewn by the statements D and E, as follow :

( D )

*The Washington Branch Rail Road.*

Cr.

Dr.

Cost of road, real estate, engines and cars,		Stock	
Cash in the hands of officers,	\$1,650,000 00	Annuity account, . . . . .	\$1,650,000 00
Cash on hand, . . . . .	122 57	Due the Baltimore and Ohio Rail Road, . . . . .	25,000 00
	88,308 45	Revenue, for balance of this account, . . . . .	6,041 18
			57,389 84
	\$1,738,431 02		\$1,738,431 02

*Office of the Baltimore and Ohio Rail Road Company, October 1st, 1845.*J. I. ATKINSON,  
*Secretary.*

## ( E )

*Statement of the Revenue and Expenses of the Washington Branch of the Baltimore and Ohio Rail Road, for the year ending the 30th of September, 1845.*

The amount received for the transportation of Passengers and Merchandize for the year ending the 30th of September 1845, . . . . .	\$208,813 62
And the expenses, for the same period, have been as follow, viz :	
Expenses of Transportation, including Fuel, Salaries of the Superintendent, Agents, Conductors, &c. &c. . . . .	\$27,786 78
Repairs of the Road, . . . . .	15,582 38
Repairs of Locomotives, . . . . .	6,459 60
Repairs of Passenger Cars, . . . . .	8,466 16
Repairs of Burden Cars, . . . . .	4,566 81
Repairs of Depots, . . . . .	234 27
Repairs of Water Stations, . . . . .	2 34
Repairs of Bridges, . . . . .	1,432 19
Interest on the Elk Ridge Landing Annuity, . . . . .	1,250 00
Bonus to the State, one fifth of the receipts from Passengers, . . . . .	38,699 43
Office and Incidental Expenses, including Salaries, House Rent, &c. . . . .	5,451 53
Burden Cars, . . . . .	3,414 26
Real Estate and Construction of Depots, . . . . .	\$624 00
Deduct amount of lot sold, . . . . .	250 78
	<hr/> 373 22
	<hr/> 113,718 97
	<hr/> \$95,094 65

*Office of the Baltimore and Ohio Rail Road Company, }  
October 1st, 1845. }*

J. I. ATKINSON,  
*Secretary.*

These statements shew the net earnings for the year ending the 30th ultimo, to be \$95,094 65, nearly six per cent. upon the capital; which added to the surplus of the preceding year, amounting to \$11,795 19, make an aggregate of \$106,889 84.

Of this sum, the board divided three dollars per share in April last; and they have determined to divide the same amount for the six months ending the 30th ultimo, payable on and after the 1st of November next.

The sum paid to the State for the six months from the 1st July 1844, to the 1st of January 1845, being one-fifth of the gross receipts from passengers, amounted to \$17,264 89; and from the 1st of January 1845, to the 1st of July 1845, to \$21,434 54, making together \$38,699 43.

It will be observed that if to this sum of \$38,699 43 be added \$33,000, the amount of dividend to be received by the State from the Washington road; \$15,000, the dividend to be received from the Main Stem; \$1,269 60 regularly remitted to London as the interest on £5,250, the amount of the sterling bonds sold on account of the State's subscription of \$3,000,000—it will be seen that, during the year, the State has received the aggregate sum of \$87,969 03, being nearly nine per cent. upon her investment in both roads.

The slight decrease in the gross receipts of this road during the past year, as compared with those of the year previous, will be accounted for from the circumstance that numerous political conventions were held in this city during the spring and summer of 1844, which contributed very largely to the extraordinary receipts of the road. As compared with the year 1843, there appears to be a steady increase in the revenue derived from ordinary sources; and, it is believed, that the present rates of fare, combined with the fact that the stages, which have heretofore been running in competition with this road, have been withdrawn, will have the effect of materially increasing it for the future.

Complaints having been, for some time, made by the public on account of the rate of fare charged upon this branch, the legislature of Maryland, at its last session, authorized the board to reduce the fare, in its discretion, to a point not below \$1 50 for the entire distance between the cities of Baltimore and Washington; to go into effect on the 1st of June last. The board, feeling the responsibility thereby devolved upon them, for a time hesitated to conform in any degree to the provisions of the law, believing, as they did, that the experiments made with low fares upon roads passing through a dense population, occupied chiefly in mechanical or commercial pursuits, could not with safety be applied to one which penetrated a district where the population was sparse, and occupied almost entirely with agriculture. It is due, however, to many of the gentlemen of the board to say that they entertained a different opinion; and that, although the deficiency which would occur by the reduction of the fare might not be made up from the increased travel drawn from the immediate line of the road, yet they contended that such increase would occur from other quarters



more remote, the inevitable tendency of low fares being to create travel. A majority of the board, at length, consented to make the experiment of a lower rate; and, at their regular meeting in July, resolved to reduce the fare to two dollars, both for the through and round trip tickets. The result of this experiment was such as to convince those who had previously doubted, of their error, inasmuch as the revenue, so far from being diminished, was actually increased over that of the corresponding period last year; and, that too while the line of stages, which had existed for some time between the two cities, continued to run with no very sensible diminution of travel. Under these circumstances, the board being, at the same time, sensible that the round trip ticket was, in many instances, made use of for the most fraudulent imposition, caused estimates to be made of what would be the state of the revenue if the fare were reduced to four cents per mile; the round trip discontinued, and the stages withdrawn. These estimates were sufficiently satisfactory to justify the experiment of a further reduction; and, accordingly, at their regular monthly meeting in September, it was determined that, from and after the 15th of that month, the fare should be reduced to \$1 60 between the two cities, or at the rate of four cents per mile, and the round trip ticket be discontinued. The short time which has elapsed since the adoption of this policy does not afford, perhaps, a sufficient test of its correctness; but, up to this time, the number of passengers has considerably augmented, and the revenue has manifestly increased over that of the corresponding period of last year.

One of the results arising from the reduction of the rate of fare, of by no means inferior consequence, will be found in the fact that one of the most serious objections to granting the right of way on the part of the State of Virginia will be entirely obviated. So important, indeed, was it considered by the legislature of that State at its last session, that it was made a special condition, in the law passed on that occasion, that the fare on this road should be reduced to the point at which it is now placed.

It is also gratifying to observe, that the bonus accruing to the State will be considerably augmented by the increasing travel over the road, and fully justifies the wisdom of the policy which led to the enactment of the law authorizing the reduction.

The condition of the tracks upon this road is also entirely satisfactory, the cost for repairs is comparatively light, and its general administration, it is believed, will compare favorably with any other road in this country.

#### *Of the further extension of the Road to the Ohio River.*

The board have again to express their regret that the obstacles which have heretofore existed to the extension of the road from Cumberland to the Ohio river, still continue. It is true, as the stockholders are aware, that a law was passed by the Virginia legislature, at its last session, authorizing the company to extend its work to the Ohio river, to terminate at the city of Wheeling; but the route indicated

by that law was considered so impracticable for any useful purpose, and its other conditions were so onerous, that, at a meeting of the stockholders, called for its consideration, on the 12th of July last, it was almost unanimously rejected. An effort was also made by the citizens of western Pennsylvania, to procure from the legislature of that State, at its last session, a law authorizing this company to extend its work to the city of Pittsburg, but without success. The citizens of a considerable portion of both these States seem to be fully awake to the accomplishment of this important object, and will make renewed and more vigorous efforts for that purpose at the next session of their respective legislatures. A convention has recently been held at Greensburg, in Pennsylvania, composed of a large number of delegates from the western portion of that State, which indicated the most decisive spirit upon this subject; and, it is confidently, hoped that their efforts will not be unsuccessful.

Indeed, a proper and candid consideration of the subject would, it is submitted, lead to the conclusion that not only the western, but the eastern interests of the State of Pennsylvania, and especially those of Philadelphia, are most seriously involved in it. The construction of a canal leading from Cincinnati through the State of Ohio to Lake Erie, has already diverted a very considerable portion of the trade of the valley of the Mississippi from Philadelphia to New York. Merchandise has been transported from the latter place, during the present season, to Cincinnati, at a much lower rate than it would have cost to the same point by way of the Pennsylvania canals and the Ohio river. The completion of the rail road from Cincinnati to Sandusky, on Lake Erie, which is now in active progress, must inevitably divert the stream of travel from the great West to New York and Boston, and it will scarcely be denied that, when it reaches those cities, the inducements which will be held out to merchants in their purchases there, will be quite sufficient to prevent them from going to Philadelphia; whereas, on the other hand, if, by the completion of the Baltimore and Ohio Rail Road to Pittsburg, the travel is drawn towards Baltimore, whatever benefit may result to her, a very large proportion must undoubtedly accrue to Philadelphia. In this particular at least, the interests of the two cities are identified; and, instead of regarding each other with a jealous distrust, they should be found uniting with hearty and untiring energy against the efforts of their northern rivals—New York and Boston. Other considerations why the best interests of Pennsylvania would be promoted by a liberal policy on her part towards this company, could be adduced; but, at present, they might be considered out of place.

In regard to Virginia, it is hard to believe that she will continue to pursue a policy which, it is believed, is without a parallel in any other of the States of the Union.

New Hampshire has, in three different instances, given the right of way to lines of rail road terminating in Massachusetts. Massachusetts has permitted, in three cases, the extension of lines from cities

on the coast of Connecticut and Rhode Island into her limits. New York has allowed the construction of the great western line running from Troy and Albany towards Boston, and has also permitted her great southern route to Lake Erie to be tapped at Elmira; thereby forming a connection with Philadelphia and Baltimore. Pennsylvania has, by the Susquehanna and Tide Water Canal, and the Baltimore and Susquehanna Rail Road, permitted a connection to be made by Baltimore with her whole system of public works. Indiana has allowed the White Water Canal to terminate at Cincinnati. Maryland has, also, given a most signal example of liberality to a great enterprise by permitting the Chesapeake and Ohio Canal, which traverses 200 miles of her territory, to terminate in the District of Columbia. And finally, the road leading from Charleston in South Carolina, passing through Georgia, Tennessee and Kentucky, and looking to Cincinnati as its termination, completes the catalogue. Virginia alone of all the States seems to stand aloof from so liberal a policy, and to regard the appeals of even her own citizens upon this subject with indifference.

If it were possible to draw the trade of the great west to her capitol by means of the James River and Kenhawa Canal, there might, perhaps, be some force in the arguments used for not granting to this company the right of way; but who, that is at all familiar with the growing greatness of the Mississippi valley, can for a moment suppose such a result to be possible?

It is not beyond the range of a brief memory since almost the entire region of country watered by the Ohio and Mississippi rivers, now teeming with millions of human beings, and rejoicing in the comfort and blessings of civilization, abode in primeval solitude; and, who now can foresee, what will be the resources of this vast region within a few short years to come? As it has been, so will it again be beyond the conception of the most enthusiastic mind.

Enough however, is known to render it a matter of absolute certainty that sufficient will be found to justify the most sanguine anticipations, predicated of all the great schemes of internal improvement of the present day. In this view of the subject, it cannot be doubted that the Virginia legislature, at its next session, will grant the privilege of the right of way, unembarrassed by onerous and oppressive conditions.

To the city of Baltimore, the completion of this work to the Ohio river is an object of the most earnest solicitude.

Since the completion of the lock and dam navigation on the Monongahela, rendering the communication between Pittsburg and Brownsville expeditious and easy, much the largest portion of the western travel has been diverted from other routes to this city; and, during the winter season, when the Pennsylvania and New York canals are closed, this road is beginning to be regarded as the cheapest and most desirable route for the transportation of merchandize, between the Atlantic seaboard and the west.

These results are, however, but the small dust of the balance, compared with those which may be expected when the work is completed to the Ohio river.

The experience of the past gives glorious promise of the future; and, the tide of prosperity, which has already set in upon us, the evidences of which greet us on every hand, will continue to flow with a constantly increasing volume, until Baltimore shall become, what nature originally intended her to be, second to none of the cities of the Union.

By order of the Board,

SAMUEL JONES, JR.,

*President Pro tempore.*



( F )

*Comparative Summary of the operations of the "MAIN STEM" of the BALTIMORE & OHIO RAIL-ROAD, — during Ten Years,—from 1836 to 1845, inclusive.*

Official Years.	From Passengers.					From Tonnage.					Aggregate of Passengers and Tonnage.				
	WESTWARDLY.					EASTWARDLY.					TOTAL.				
	Passengers.	Amount.	Tons.	h.	qr. lb.	Bls. Flour.	T's Coal.	Tons.	h.	qr. lb.	Tons.	h.	qr. lb.	Amount from Tonnage.	
1836	157,102	\$128,156 30	25,898	5	1 0	172,664	—	40,805	3	3 1	66,703	9	0 1	\$153,186 23	\$281,312 53
1837	140,699	145,625 29	33,901	5	3 10	113,870	—	40,696	4	3 5	74,597	10	2 15	155,676 09	301,301 38
1838	150,516½	166,693 53	30,079	11	1 3	142,512	—	47,447	7	3 24	77,526	19	1 2	198,530 79	365,924 32
1839	152,501	173,860 44	45,878	4	3 10	264,033	—	54,573	7	1 4	100,451	12	0 14	233,487 06	407,347 50
1840	152,418	177,035 75	25,638	10	0 9	392,449	—	62,736	3	1 24	88,374	13	2 8	255,847 95	432,883 70
1841	171,629½	179,615 80	23,442	13	0 19	255,819	—	42,056	4	3 0	65,498	17	3 19	211,454 07	391,069 87
1842	154,568	181,177 35	30,243	15	3 9	223,539	—	37,600	14	0 19	87,844	10	0 3	245,315 31	426,492 66
1843	149,533	274,617 27	27,191	16	3 3	266,146	4964	55,523	11	2 20	82,715	8	1 23	300,617 81	575,235 08
1844	173,821	336,876 32	33,224	16	1 2	241,550	5433	69,886	11	1 23	103,111	7	3 0	321,743 66	658,619 98
1845	202,458½	369,882 30	50,541	16	2 23	255,602	16,020	90,865	3	3 20	141,407	0	2 18	368,720 88	738,603 18
Totals,	1,605,246½	\$2,133,510 35	326,040	16	0 3	2,318,183	26,417	542,190	13	1 15	868,231	9	2 3	\$2,444,579 85	\$4,578,090 20

OFFICE OF TRANSPORTATION,—*Baltimore and Ohio Rail Road Company,*  
4th October, 1845.

W. S. WOODSIDE, *Superintendent.*

## A P P E N D I X .

---

### I N T E R R O G A T O R I E S

*Propounded by the Senate of Maryland to the Baltimore and Ohio Rail Road Company.*

BY THE SENATE,

*January 21st, 1845.*

*Ordered*, That the president of the Baltimore and Ohio Rail Road Company be requested to report to the Senate, the lowest rate at which the company would agree to transport coal, iron, &c. from Cumberland to dam No. 6,—*provided* an arrangement be made for such transportation, to last for the next ten years, or permanently; and, under such arrangement, the number of tons the company will agree to transport annually; and, further, to give a statement of the relative cost of transportation by means of the road and canal, from Cumberland to Georgetown, and by the canal alone, if finished from the same to the same; and further, to state, whether the rail road company would agree to take a proportion; and, if so, what, of the stock of a company, if incorporated, to make a rail road from Cumberland to the Frostburg mines.

By order,

Jos. H. NICHOLSON, *Clerk.*

### R E P L Y .

1st. That provided a contract be entered into by responsible parties for the transportation of not less than 105,000 tons of coal annually, in equal daily quantities, during the canal season,—assumed to be 250 days,—from Cumberland to dam No. 6, to continue for ten years or permanently, this company, with a reservation of the right to annul the contract upon a notice of two years to the legislature of Maryland of their desire to do so, will engage to transport that amount, or any greater quantity not exceeding 500,000 tons as aforesaid, between those points at  $1\frac{1}{2}$  cent per ton per mile, or an aggregate of 60 cents per ton of 2,240 pounds.

2d. That this company, with a reservation as above, will engage to transport coal at  $1\frac{1}{2}$  cent, coke, pig iron, blooms and scrapiron, at 2 cents, bar-iron and lumber at 3 cents, and all other articles than those above enumerated at the rates shewn by the "TARIFF OF RATES OF TRANSPORTATION ON THE MAIN STEM OF THE BALTIMORE AND OHIO RAIL ROAD," recently submitted to the house of delegates of Maryland, in obedience to an order from that body, between Cumberland and dam No. 6, a distance of 45

miles, at all times, without requiring a stipulation for equal daily quantities, and would be willing to increase its machinery for that purpose, according to the growth and requirements of the trade; and, except so far as may be necessary to fulfil existing contracts, will stipulate not to charge less than  $1\frac{3}{4}$  cent per ton of 2,240 lbs. per mile for the transportation of any article over its road or any part thereof, except that part between Cumberland and dam No. 6; Provided, that a permanent arrangement or stipulation be entered into, by which the charges for toll upon the Chesapeake and Ohio Canal upon all articles of transportation whatever, other than coal, coke, blooms, pig-iron, scrap-iron, iron-ore, lime, limestone, rough or undressed stone of any description, salt, fish, plaster, timber, rails, posts, bark, lumber, staves and heading, firewood and hoop-poles, shall be fixed at not less than  $3\frac{1}{2}$  cents per ton per mile, and that the charges for tolls upon the canal shall not be less than one cent per ton per mile upon pig-iron, blooms, scrap-iron, salt, fish, and plaster, nor than half a cent per ton per mile upon any other of the articles above specified, except coal and coke, upon which the charges may be reduced, at the discretion of the legislature of Maryland, to one-third of a cent per ton per mile.

3d. That this company decline to assert positively, the lowest cost of transportation by the canal alone, if finished from *Georgetown* to *Cumberland*; but, assuming such cost to be\* as stated in the report of the canal

---

\* In their report of June 3d, 1844, the Chesapeake and Ohio Canal Company estimated that, with the "Ericsson propellers," coal may be transported from Cumberland to Georgetown,  $184\frac{1}{2}$  miles, for \$1  $\frac{93}{100}$  per ton, inclusive of tolls and boat duty. Should this estimate by possibility be realized at any time, then "the relative cost of transportation by means of the rail road from Cumberland to dam No. 6," and thence by canal to Georgetown, and by "the canal, if finished, from the same to the same," will be as follows:

FIRST.—*Supposing a contract to be made for the transportation of not less than 105,000 tons annually, in accordance with the first article of this reply.*

For tolls and transportation on railway from Cumberland to dam	
No. 6, 45 miles, at $1\frac{1}{4}$ cent per ton per mile, - - -	\$0 60
For tolls and transportation on canal from dam No. 6 to Georgetown, $134\frac{1}{2}$ miles, - - - - -	1 40
Total from Cumberland to Georgetown, - - - - -	\$2 00

SECOND.—*Supposing an arrangement to be made in accordance with the second article of this reply.*

For tolls and transportation on railway from Cumberland to dam	
No. 6, 45 miles, at $1\frac{1}{2}$ cent per ton per mile, - - -	\$0 67 $\frac{1}{2}$
For tolls and transportation on canal from dam No. 6 to Georgetown, $134\frac{1}{2}$ miles, - - - - -	1 40
Total from Cumberland to Georgetown, - - - - -	\$2 07 $\frac{1}{2}$
The charges for tolls and transportation on a ton of coal from Cumberland to Georgetown by the canal alone, if finished, from the same to the same, as above estimated, will be - - -	\$1 93

company of the 16th of November 1843, viz: at the rate of  $1\frac{2.54}{1000}$  cent per ton per mile, the relative cost of transportation by means of the rail road from Cumberland to dam No. 6, and thence by canal to Georgetown, and by the canal alone, if finished from the same to the same, will appear as follows:

FIRST.—*Supposing a contract to be made for the transportation of not less than 105,000 tons annually, in accordance with the first article of this reply.*

For tolls and transportation on railway from Cumberland to dam No. 6, 45 miles at $1\frac{1}{2}$ cent per ton per mile, - - - -	\$0 60
For tolls and transportation on canal from dam No. 6 to Georgetown, $134\frac{1}{2}$ miles, at $1\frac{2.54}{1000}$ cent per ton per mile, - - -	1 68 $\frac{2}{3}$
Total charge from Cumberland to Georgetown, - - -	\$2 28 $\frac{2}{3}$

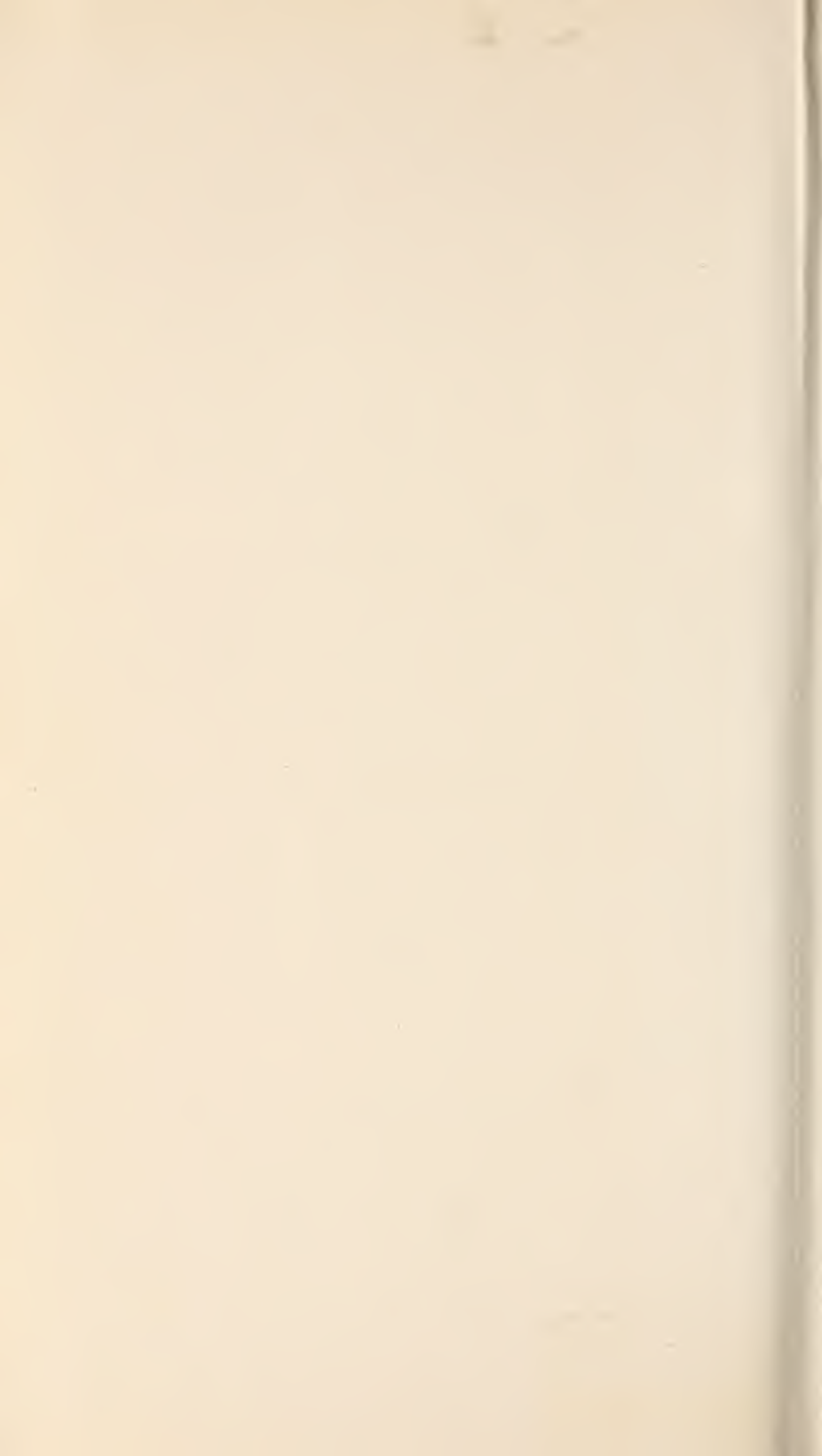
SECOND.—*Supposing an arrangement to be made in accordance with the second article of this reply.*

For tolls and transportation on railway from Cumberland to dam No. 6, 45 miles, at $1\frac{1}{2}$ cent per ton per mile, - - - -	\$0 67 $\frac{1}{2}$
For tolls and transportation on canal from dam No. 6 to Georgetown, same as before, - - - - -	1 68 $\frac{2}{3}$
Total from Cumberland to Georgetown, - - - - -	\$2 36 $\frac{1}{6}$
The charges for tolls and transportation on a ton of coal from Cumberland to Georgetown by the canal alone, if finished, at the rates above assumed, viz: $1\frac{2.54}{1000}$ of a cent per ton per mile, would be - - - - -	\$2 31

4th. That this company decline taking "any of the stock of a company, if incorporated, to make a rail road from Cumberland to the Frostburg mines."









JUN 76

N MANCHESTER,  
INDIANA

